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Eradication of poverty and other development issues: industrial development cooperation

Report of the Second Committee*

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I. Introduction

1. The Second Committee held a substantive debate on agenda item 24 (see A/67/441, para. 2). Action on sub-item (b) was taken at the 29th and 33rd meetings, on 15 November and 5 December 2012. An account of the Committee's consideration of the sub-item is contained in the relevant summary records (A/C.2/67/SR.29 and 33).

II. Consideration of draft resolutions A/C.2/67/L.32 and A/C.2/67/L.54

2. At the 29th meeting, on 15 November, the representative of Algeria, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "Industrial development cooperation" (A/C.2/67/L.32), which read:

"*The General Assembly*,

"*Recalling* its resolutions 49/108 of 19 December 1994, 51/170 of 16 December 1996, 53/177 of 15 December 1998, 55/187 of 20 December 2000, 57/243 of 20 December 2002, 59/249 of 22 December 2004, 61/215 of 20 December 2006, 63/231 of 19 December 2008 and 65/175 of 20 December 2010 on industrial development cooperation, and its resolution 65/151 of 20 December 2010 designating 2012 as the International Year of Sustainable Energy for All,

* The report of the Committee on this item is being issued in three parts, under the symbol A/67/441 and Add.1 and 2.

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"*Recalling also* the United Nations Millennium Declaration, the Monterrey Consensus of the International Conference on Financing for Development and the Plan of Implementation of the World Summit on Sustainable Development ('Johannesburg Plan of Implementation'),

"*Recalling further* the 2005 World Summit Outcome and its resolution 60/265 of 30 June 2006 on the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,

"*Recalling*, the United Nations Conference on Sustainable Development held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled 'The future we want',

"*Recalling also* the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals at its sixty-fifth session and its resolution 65/1 of 22 September 2010 by which it adopted the outcome document of that Meeting,

"*Recognizing* that industrialization is an essential driver of sustained economic growth, sustainable development and poverty eradication in developing countries, including the least developed countries, African countries and middle-income countries, through, inter alia, the creation of productive employment, income generation and the facilitation of social integration, including the integration of women into the development process, and that it plays a key role in maintaining social stability and cohesion,

"*Stressing* the importance of international cooperation to promote equitable and sustainable patterns of industrial development and address major challenges such as growth and jobs, resource efficiency, energy and climate change, shifting demographics, knowledge creation and transfer and growing inequalities,

"*Recognizing* the role of the business community and the private sector, including microenterprises and small and medium-sized enterprises, in enhancing the dynamic process of the development of the industrial sector, and underlining the importance of the benefits of foreign direct investment in that process, subject to national sovereignty considerations and in accordance with the Charter of the United Nations and the principles of international law,

"*Recognizing also* the important and positive role of micro, small and medium-sized enterprise clusters and organizations in the social and solidarity economy field, including cooperatives, as vehicles for promoting small-scale industry and for the implementation of the development goals in such fields as employment policy, social integration, regional and rural development, agriculture and environmental protection,

"*Underscoring* the importance of the transfer of technology and knowledge on mutually agreed terms to developing countries as an effective means of international cooperation in the pursuit of poverty eradication and sustainable development,

"*Noting* the important role played by the United Nations Industrial Development Organization, including in the development of the public and private sectors, productivity growth, capacity-building in the area of trade,

corporate social responsibility, environmental protection, energy access, energy efficiency, the promotion of renewable sources of energy and the implementation of energy interconnection initiatives among developing countries,

"1. *Takes note* of the report of the Director General of the United Nations Industrial Development Organization;

"2. *Reaffirms* the importance of industrial development cooperation for, inter alia, the strengthening of productive capacities and the creation of decent jobs in developing countries, the development of the private sector and entrepreneurship, the fostering of technological change and innovation, capacity-building in the area of trade, the promotion of agro-industry, resource-efficient and cleaner production, the facilitation of technology transfer on mutually agreed terms and knowledge transfer and networking;

"3. *Also reaffirms* the essential contribution of industrial development to the achievement of the internationally agreed development goals, including the Millennium Development Goals;

"4. *Stresses* that industrial development comprises more than the development of the manufacturing sector alone, also encompassing aspects of energy, agro-industry, infrastructure and logistics, science, technology and innovation, human resources development and education and the development of the mining sector;

"5. *Also stresses* that the lack of a dynamic industrial and manufacturing sector leads to the widening of the income gap between rich and poor and to the erosion of social protection nets;

"6. *Invites* the intergovernmental and other relevant processes on the United Nations development agenda beyond 2015 to give due consideration to the issue of industrial development cooperation;

"7. *Emphasizes* that each country must take primary responsibility for its own industrial development, that national ownership and leadership are indispensable in the development process and that the role of national policies, domestic resources and development strategies cannot be overemphasized;

"8. *Stresses* that national efforts should be supported by development partners and need to be complemented by a rules-based multilateral trading system that facilitates trade and provides opportunities for developing countries to broaden their competitive export base by strengthening their capacities and facilitating the structural transformation and diversification of their economies, which can help to promote economic growth and development;

"9. *Emphasizes* that, in order to create the right environment for sustainable industrial development, the international community and the private sector, as appropriate, should accelerate measures to facilitate the development of environmentally sound technologies and their transfer and diffusion to developing countries;

"10. *Takes note* of the requests, made in paragraph 273 of the outcome document of the United Nations Conference on Sustainable Development,

entitled 'The future we want', that relevant United Nations agencies identify options for a facilitation mechanism that promotes the development, transfer and dissemination of clean and environmentally sound technologies by, inter alia, assessing the technology needs of developing countries, options to address those needs and capacity-building, and that the Secretary-General, on the basis of the options identified and taking into account existing models, make recommendations regarding the facilitation mechanism to the General Assembly at its sixty-seventh session;

"11. *Emphasizes* the mutually reinforcing linkages between the achievement of basic economic and social rights and the development of the industrial sector in all countries, taking into account that the quality and scope of public services and utilities depend upon the productivity levels of national economies;

"12. *Recognizes* in this regard the role of the United Nations Industrial Development Organization in promoting industrial innovation and mainstreaming science and technology into national production systems, manufacture, mining and energy processes and their products, including the managerial skills involved;

"13. *Underlines* that, in order to attain macroeconomic stability and optimal industrial growth and employment, Member States should have the ability to preserve their respective policy space, establishing an appropriate balance between national industrial policy space and international commitments;

"14. *Also underlines* the importance of promoting inclusive growth through industrial means and adequate national and regional strategies;

"15. *Calls upon* developed countries to provide new and additional resources, including short-term liquidity and long-term development financing and grants, to developing countries to be utilized towards an adequate response to their development priorities, including industrial development cooperation;

"16. *Notes* the importance placed by the United Nations Industrial Development Organization on South-South cooperation, including triangular cooperation, inter alia, through its centres for South-South industrial cooperation and through the promotion of various forms of public and private partnerships and the exchange of experience in private sector development, at the global, regional, subregional and country levels;

"17. *Recognizes* the key role of the United Nations Industrial Development Organization in promoting sustainable industrial development and in industrial development cooperation, welcomes its clear programmatic focus on three thematic priorities, namely, poverty reduction through productive activities, trade capacity-building and environment and energy, and notes the coherence of its programmes with the economic, social and environmental dimensions of sustainable development;

"18. *Notes* the continued cooperation of the United Nations Industrial Development Organization with the United Nations Development Programme, the Food and Agriculture Organization of the United Nations, the United Nations Human Settlements Programme, the International Fund for

Agricultural Development, the United Nations Conference on Trade and Development, the World Trade Organization, the United Nations Environment Programme, the International Trade Centre, the United Nations Educational, Scientific and Cultural Organization, the International Labour Organization, the World Health Organization, the Joint United Nations Programme on HIV/AIDS, the World Tourism Organization and the World Intellectual Property Organization, as well as its active role in the UN-Energy mechanism;

"19. *Invites* the United Nations Industrial Development Organization to continue to build and strengthen its partnerships with other United Nations organizations having complementary mandates and activities, as well as with other entities, including in the private sector and civil society, with a view to achieving greater effectiveness and development impact and promoting increased coherence within the United Nations system;

"20. *Notes* the development challenges highlighted by the United Nations Industrial Development Organization, including those related to economic growth and employment and decent work for all, food security and nutrition, resource efficiency, energy and climate change, which include growing inequalities, and the need for knowledge creation, transfer of technology and capacity-building in developing countries, which should be addressed through increased industrial development cooperation;

"21. *Welcomes* the importance placed by the United Nations Industrial Development Organization on technology transfer and knowledge networking as means to achieve sustainable industrial development;

"22. *Also welcomes* the ongoing support of the United Nations Industrial Development Organization for the New Partnership for Africa's Development, the African Agribusiness and Agro-industries Development Initiative, the Pharmaceutical Manufacturing Plan for Africa and other programmes of the African Union aimed at further strengthening the industrialization process in Africa through, inter alia, its role as the convener of the industry, trade and market access cluster of the regional consultation meetings led by the Economic Commission for Africa;

"23. *Emphasizes* the importance of increased cooperation for industrial development in the Latin American and Caribbean region, and calls upon the international community and the relevant international and regional organizations to provide support for such cooperation;

"24. *Encourages* the United Nations Industrial Development Organization to continue to assist developing countries, including the least developed countries, African countries and middle-income countries, in participating in productive activities, inter alia, through the development of agro-industry and agribusiness, the promotion of South-South cooperation and technology transfer, its diffusion and adoption, capacity-building to engage in international trade through small and medium-sized enterprise development and support in meeting international product and process standards, and the integration of women and youth into the development process;

"25. *Also encourages* the United Nations Industrial Development Organization to take into account the relevant provisions of the quadrennial comprehensive policy review of operational activities for development of the

United Nations system, in the implementation of global, regional and country programmatic frameworks in accordance with its mandate;

"26. *Further encourages* the United Nations Industrial Development Organization to continue to promote environmentally sound and sustainable production, including through programmes on cleaner production, industrial water management, industrial energy efficiency and the utilization of efficient, modern and affordable forms of energy for productive use, as well as through continued cooperation with United Nations organizations and other organizations to support the achievement of multilateral environmental agreements and promote global goals on access to modern forms of energy and on energy efficiency;

"27. *Recalls* in this regard the holding of the Vienna Energy Forum 2011, which facilitated the international dialogue towards, inter alia, enhanced political support for the energy access agenda;

"28. *Encourages* the United Nations Industrial Development Organization to strengthen its role in assisting developing countries in creating and disseminating knowledge, inter alia, by making use of its global network of centres for investment and technology promotion, resource-efficient and cleaner production, and South-South industrial cooperation, as well as through its Institute for Capacity Development and its Networks for Prosperity initiative;

"29. *Reiterates* the importance of promoting the creation and development of microenterprises and small and medium-sized enterprises as a strategy to achieve industrial development, economic dynamism and poverty eradication, including through the mobilization of resources and measures to foster sustainable and inclusive development;

"30. *Encourages* the United Nations Industrial Development Organization to explore ways to enhance development cooperation towards middle-income countries, which still face significant challenges in the area of poverty eradication, and to support those countries, in order to ensure that achievements made to date are sustained;

"31. *Also encourages* the United Nations Industrial Development Organization to further strengthen its activities across the enablers — technical cooperation, convening for knowledge transfer and networking, and analytical and policy advisory services — in order to support developing countries through the building of human and institutional capacities, the enhancement of international competitiveness, the promotion of investment and technology transfer, the encouragement of entrepreneurship and the fostering of employment for women and youth;

"32. *Requests* the Secretary-General to submit to the General Assembly at its sixty-ninth session a report on the implementation of the present resolution."

3. At its 33rd meeting, on 5 December, the Committee had before it a draft resolution entitled "Industrial development cooperation" (A/C.2/67/L.54), submitted by the Vice-Chair of the Committee, Tauhedul Islam (Bangladesh), on the basis of informal consultations held on draft resolution A/C.2/67/L.32.

4. At the same meeting, the Committee was informed that draft resolution A/C.2/67/L.54 had no programme budget implications.

5. Also at the 33rd meeting, the representative of the Bahamas, in her capacity as the facilitator of draft resolution A/C.2/67/L.54, orally corrected operative paragraph 6 of the draft resolution by replacing the words "development agenda beyond 2015" with the words "post-2015 development agenda" (see A/C.2/67/SR.33).

6. At the same meeting, the Committee adopted draft resolution A/C.2/67/L.54, as orally corrected (see para. 8).

7. In the light of the adoption of draft resolution A/C.2/67/L.54, draft resolution A/C.2/67/L.32 was withdrawn by its sponsors.

III. Recommendation of the Second Committee

8. The Second Committee recommends to the General Assembly the adoption of the following draft resolution:

Industrial development cooperation

The General Assembly,

Recalling its resolutions 49/108 of 19 December 1994, 51/170 of 16 December 1996, 53/177 of 15 December 1998, 55/187 of 20 December 2000, 57/243 of 20 December 2002, 59/249 of 22 December 2004, 61/215 of 20 December 2006, 63/231 of 19 December 2008 and 65/175 of 20 December 2010 on industrial development cooperation, and its resolution 65/151 of 16 February 2011 designating 2012 as the International Year of Sustainable Energy for All,

Recalling also the United Nations Millennium Declaration,[1] the Monterrey Consensus of the International Conference on Financing for Development[2] and the Plan of Implementation of the World Summit on Sustainable Development ("Johannesburg Plan of Implementation"),[3]

Recalling further the 2005 World Summit Outcome[4] and its resolution 60/265 of 30 June 2006 on the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,

Recalling the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled "The future we want",[5]

Recognizing the importance of achieving sustainable development in a comprehensive manner, integrating the economic, social and environmental dimensions,

Stressing that industrial development comprises more than the development of the manufacturing sector alone, encompassing aspects of energy, agro-industry, infrastructure and logistics, science, technology and innovation and human resources development and education, as well as the development of the mining sector,

Recalling the high-level plenary meeting of the General Assembly on the Millennium Development Goals and its resolution 65/1 of 22 September 2010 by which the Assembly adopted the outcome document of the meeting,

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[1] See resolution 55/2.

[2] *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

[3] *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 2, annex.

[4] See resolution 60/1.

[5] Resolution 66/288, annex.

Recognizing that industrialization is an essential driver of sustained inclusive and equitable economic growth, sustainable development and poverty and hunger eradication in developing countries and countries with economies in transition, including the least developed countries, landlocked developing countries and African countries, through, inter alia, the creation of decent productive employment, income generation and the facilitation of social integration, including the integration of women and youth into the economic growth process, and that it plays a key role in maintaining social stability and cohesion,

Stressing the importance of international industrial cooperation to promote equitable and sustainable patterns of industrial development and to address major challenges such as poverty eradication; growth and jobs; resource efficiency; energy, pollution and climate change; shifting demographics; knowledge creation and transfer; and the narrowing of growing inequalities,

Recognizing the role of the business community, including the private sector, in enhancing the dynamic process of the development of the industrial sector, underlining the importance of the benefits of foreign direct investment in that process, and recognizing also, in this regard, that an enabling domestic environment is vital for mobilizing domestic resources, increasing productivity, reducing capital flight, encouraging the private sector and making effective use of international investment and assistance, and that efforts to create such an environment should be supported by the international community,

Recognizing also the important and positive role of micro, small and medium-sized enterprise clusters and organizations in the social and solidarity economy field, including cooperatives, as vehicles for promoting small-scale industry and for the implementation of the development goals, including the Millennium Development Goals, in fields such as employment policy, social integration, regional and rural development, agriculture and environmental protection,

Underscoring the importance of the transfer of technology and knowledge networking on mutually agreed terms to developing countries as an effective means of international cooperation in the pursuit of the eradication of poverty and hunger and of sustainable development,

Noting the important role played by the United Nations Industrial Development Organization, including in the development of the public and private sectors, productivity growth, trade capacity-building, corporate social responsibility, environmental protection, energy access, energy efficiency, the promotion of renewable sources of energy and the implementation of energy interconnection initiatives among developing countries,

1. *Takes note with appreciation* of the report of the Director General of the United Nations Industrial Development Organization;[6]

2. *Reaffirms* the importance of industrial development cooperation, inter alia, for the strengthening of productive capacities and the creation of decent jobs in developing countries, in particular in favour of women, youth and vulnerable communities, the development of the private sector and entrepreneurship, the fostering of technological change and innovation, trade capacity-building, the promotion of agro-industry, training, education, resource-efficient and cleaner

[6] See A/67/223.

production, an enabling environment for the transfer of technology, on mutually agreed terms, and knowledge transfer and networking;

3. *Emphasizes* the need to promote, in the context of industrial development, gender equality and the empowerment of women at all levels and in decision-making processes;

4. *Reaffirms* the essential contribution of industrial development to the achievement of the internationally agreed development goals, including the Millennium Development Goals;

5. *Stresses* that the lack of a dynamic industrial and manufacturing sector is one of the factors that can lead to a widening of the income gap between rich and poor and to the erosion of social protection nets;

6. *Encourages* giving appropriate consideration to the issue of industrial development cooperation in the elaboration of the post-2015 development agenda;

7. *Emphasizes* that each country must take primary responsibility for its own industrial development, that national ownership and leadership are indispensable in the development process and that the role of national policies, domestic resources and development strategies cannot be overemphasized;

8. *Also emphasizes* that national efforts should be supported by development partners, as appropriate, and need to be complemented by a rules-based multilateral trading system that facilitates trade and provides opportunities for developing countries to broaden their competitive export base by strengthening their capacities and facilitating the structural transformation and diversification of their economies, which can help to promote economic growth and development;

9. *Further emphasizes* that, in order to create the right environment for sustainable industrial development, the international community and the private sector, as appropriate, should accelerate measures to facilitate the development, transfer and diffusion of environmentally sound technologies on mutually agreed terms, to developing countries;

10. *Emphasizes* the mutually reinforcing linkages between the quality and scope of national public services provided for the realization of economic and social rights and long-term sustained economic growth associated with energy and material efficiency gains in productive sectors;

11. *Recognizes* the key role of the United Nations Industrial Development Organization in promoting sustainable industrial development, industrial innovation and mainstreaming science and technology into national productive systems, and welcomes its clear programmatic focus on three thematic priorities, namely, poverty reduction through productive activities, trade capacity-building, and environment and energy;

12. *Underlines* the importance of promoting sustained, inclusive and equitable economic growth through industrial means and through adequate national and regional strategies;

13. *Recognizes* that the mobilization of financial resources for development and the effective use of all of those resources are central to the global partnership for development, including in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals, and also

recognizes that the mobilization of domestic and international resources and an enabling domestic and international environment are key drivers for development;

14. *Notes* the importance placed by the United Nations Industrial Development Organization on South-South cooperation and triangular cooperation, inter alia, through its centres for South-South industrial cooperation and through the promotion of various forms of public and private partnerships and the exchange of experience in private sector development at the global, regional, subregional and country levels;

15. *Also notes* the continued cooperation of the United Nations Industrial Development Organization with the entities of the United Nations system, including the specialized agencies, funds and programmes, as well as its active role in the UN-Energy mechanism;

16. *Invites* the United Nations Industrial Development Organization to continue to build and strengthen its partnerships with other United Nations organizations with complementary mandates and activities, as well as with other entities, including with the private sector and civil society, with a view to achieving greater effectiveness and development impact and promoting increased coherence within the United Nations system;

17. *Takes note* of the development challenges highlighted by the United Nations Industrial Development Organization, including economic growth and employment and decent work for all, food security and nutrition, resource efficiency, energy, pollution and climate change, which includes growing inequalities, and the need for knowledge creation, transfer of technology and capacity-building in developing countries, which should be addressed through industrial development cooperation;

18. *Notes* the importance placed by the United Nations Industrial Development Organization on technology transfer and knowledge networking as means to achieve sustainable industrial development;

19. *Welcomes* the ongoing support of the United Nations Industrial Development Organization for the New Partnership for Africa's Development,[7] the African Agribusiness and Agro-industries Development Initiative, the Pharmaceutical Manufacturing Plan for Africa and other programmes of the African Union aimed at further strengthening the industrialization process in Africa through, inter alia, its role as the convener of the industry, trade and market access cluster of the regional consultation meetings led by the Economic Commission for Africa;

20. *Emphasizes* the importance of regional cooperation for industrial development, and calls upon the international community and the relevant international and regional organizations to provide support for this cooperation;

21. *Encourages* the United Nations Industrial Development Organization to continue to assist developing countries, including the least developed countries and African countries, in participating in productive activities, inter alia, through the development of agro-industry and agribusiness, the promotion of South-South cooperation and technology transfer, on mutually agreed terms, its diffusion and adoption, building to engage in international trade through small and medium-sized

[7] A/57/304, annex.

enterprise development and support, as appropriate, in meeting international product and process standards, and the integration of women and youth into the development process;

22. *Encourages* regional, subregional and interregional cooperation as a platform for international industrial cooperation aiming to promote investments and technology transfer on mutually agreed terms to disseminate good policies and practices as well as to foster job creation, including for youth and women;

23. *Calls upon* the United Nations Industrial Development Organization to play an active role in implementing the quadrennial comprehensive policy review of operational activities for development and General Assembly resolution 64/289 of 2 July 2010 on system-wide coherence;

24. *Encourages* the United Nations Industrial Development Organization to support developing countries, upon request, in achieving sustainable development, including through support for policies in the context of sustainable development and poverty eradication, and to promote environmentally sound and sustainable production, including through programmes on cleaner production, industrial water management, industrial energy efficiency and the utilization of efficient, modern and affordable forms of energy for productive use, especially in rural areas, through continued cooperation with United Nations organizations and other organizations in order to support the achievement of multilateral environmental agreements and promote global goals on access to modern forms of energy, on energy efficiency and on renewable energy;

25. *Recalls* in this regard the celebration of the Vienna Energy Forum 2011, which facilitated the international dialogue towards, inter alia, enhanced political support for the energy access agenda;

26. *Encourages* the United Nations Industrial Development Organization to strengthen its role in assisting developing countries to create and disseminate knowledge, inter alia, by making use of its global network of centres for investment and technology promotion, resource-efficient and cleaner production and South-South cooperation, as well as through its Institute for Capacity Development and Networks for Prosperity initiative;

27. *Reiterates* the importance of promoting the creation and development of micro, small and medium-sized enterprises as a strategy for achieving industrial development, economic dynamism and poverty and hunger eradication, including through the mobilization of resources and measures to foster sustainable and inclusive development;

28. *Acknowledges* the importance of reporting on corporate sustainability, and encourages companies, where appropriate, especially publicly listed and large companies, to consider integrating sustainability information into their reporting cycle, and encourages industry, interested Governments and relevant stakeholders, with the support of the United Nations system, as appropriate, to develop models for best practices and to facilitate action for the integration of sustainability reporting, taking into account experiences from already existing frameworks and paying particular attention to the needs of developing countries, including for capacity-building;

29. *Stresses* the importance of the activities of the United Nations Industrial Development Organization, within its mandate, to support the efforts of middle-income countries to eradicate poverty, reduce inequalities and achieve their development goals, including the Millennium Development Goals, and to achieve sustainable development;

30. *Encourages* the United Nations Industrial Development Organization to continue to develop its effectiveness in each of its four capacities of technical cooperation, research and analysis, normative assistance and global forum activities, with the aim of enhancing the quality of the services it provides to developing countries and countries with economies in transition;

31. *Requests* the Secretary-General to submit to the General Assembly, at its sixty-ninth session, a report on the implementation of the present resolution.